

AMENDED IN SENATE MARCH 27, 2003

AMENDED IN SENATE MARCH 24, 2003

Senate Joint Resolution

No. 9

Introduced by Senators Perata, Cedillo, and Romero
(Coauthor: Assembly Member Hancock)

February 24, 2003

Senate Joint Resolution No. 9—Relative to the California economy.

LEGISLATIVE COUNSEL'S DIGEST

SJR 9, as amended, Perata. California economy: congressional attention.

This measure would request the state Congressional delegation to support fiscal relief to the states in the amount of \$50 ~~million~~ *billion* or more for the 2003–04 fiscal year and provide temporary relief through federal revenue sharing or adjustments in the federal budget for specified purposes. This measure would further request the state Congressional delegation to unite and turn its attention immediately to the plight of its constituents in California whose economy and future are so seriously jeopardized by the priorities of the Bush Administration.

Fiscal committee: no.

- 1 WHEREAS, Our nation continues in the throes of an ongoing,
- 2 relentless economic recession; *and*
- 3 WHEREAS, The Congressional Budget Office has predicted a
- 4 \$200,000,000,000 national deficit this year; and
- 5 WHEREAS, The Bush Administration budget plan relies on
- 6 total tax cuts of \$1,300,000,000,000 in the next ten years to



1 stimulate the economy, increasing the likelihood of deep federal
2 deficits and massive cuts to domestic programs; and

3 WHEREAS, Economists predicts that if legislators adopt the
4 Bush Administration's current budget proposal it would wipe out
5 the remaining surplus and plummet the U.S. into a debt of over
6 \$2,000,000,000,000 over the next ten years; and

7 WHEREAS, The Congressional Budget Office estimates that
8 the security measures being implemented in the wake of
9 September 11th attacks will reduce the annual gross domestic
10 product growth by as much as 1%, or one percentage point lower
11 than a decade ago; and

12 WHEREAS, State lawmakers all across the nation must cut
13 spending in order to meet a \$25,000,000,000 budget shortfall in
14 the 2002–03 fiscal year, and \$68,500,000,000 in the 2003–04
15 fiscal year; and

16 WHEREAS, California's New Economy recession is the
17 deepest, most long lasting in the nation, and shows few signs of
18 recovery; and

19 WHEREAS, California taxpayers' contribution to the federal
20 budget is by far the largest of any state in the nation; and

21 WHEREAS, California's annual federal tax contribution is
22 \$13,000,000,000 more than it receives back in federal support and
23 services; and

24 WHEREAS, California public schools stand to lose over
25 \$300,000,000 in crucial funding for migrant, after-school, and
26 vocational education programs under the President's budget plan,
27 which mandates higher standards but fails to fund the
28 administration's much trumpeted "No Child Left Behind"
29 education initiative favoring instead national voucher programs
30 and giving tax credits to students who attend private schools; and

31 WHEREAS, The President's budget request proposes
32 reductions in overall spending in Medicaid and SCHIP programs
33 by \$2,500,000,000 over ten years and continues to ignore the
34 hardships caused to seniors by putting unfettered profits of drug
35 companies before affordable prescriptions; and

36 WHEREAS, President Bush's plan proposes to reduce
37 transportation funding in California by at least \$200,000,000
38 thereby extending delays in projects on congested freeways, as
39 well as reductions to transit; and



1 WHEREAS, The federal government already owes California
2 reimbursements in the range of \$1,000,000,000 for homeland
3 security expenses pursuant to September 11th attacks; now,
4 therefore, be it

5 *Resolved by the Senate and Assembly of the State of California,*
6 *jointly,* That the Legislature of the State of California does hereby
7 ask the state Congressional delegation to unite and turn their
8 attention immediately to the plight of its constituents in California
9 whose economy and future are so seriously jeopardized by the
10 priorities of the Bush Administration; and be it further

11 *Resolved,* That the Congressional delegation support fiscal
12 relief to the states in an amount no less than ~~\$50,000,000~~
13 *\$50,000,000,000* for the 2003–04 fiscal year as a necessary first
14 step to narrow the gap between the cost of federal mandates and
15 the levels of funding for those mandates. Immediate temporary
16 relief for the states should be accomplished through federal
17 revenue sharing or adjustments in the federal budget for
18 state-federal partnership efforts in at least the following policy
19 areas: boost the Medicaid federal medical assistance percentage
20 (FMAP); prevent reversion of unspent funds for the State
21 Children’s Health Insurance Program; fully fund implementation
22 of the No Child Left Behind Act and Individuals with Disabilities
23 Education Act (IDEA); assist unemployed workers; fully cover
24 costs of incarcerating undocumented felons; boost federal
25 investment in highways, mass transit, and passenger rail; fully
26 fund federal grants for state-level homeland security first
27 responders; and provide penalty relief through corrective action
28 plans; and be it further

29 *Resolved,* That the Secretary of the Senate transmit copies of
30 this resolution to the state Congressional delegation.

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